

# Kransco vs. American Empire Surplus Lines Insurance Company

Year: 1998

Court: California Supreme Court

Case Number: S062139

An insurance company can no longer use the affirmative defense of comparative bad faith to escape liability for bad faith claims handling practices. Although this is a third party case, the reasoning has been applied to first party cases as well. See *Hale v. Provident Life & Accident Insurance Co.* (2003)

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